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3 RESOLUTION NO. 95-27

4 RESOLUTION TO ADOPT
5 A MULTIFAMILY PREDEVELOPMENT LOAN PROGRAM

6 WHEREAS, the Agency has authority to make loans for the
7 purpose of developing multifamily rental housing for low and
8 moderate income tenants; and

9 WHEREAS, the Agency has determined there is a need for
10 predevelopment loans to assist nonprofit developers in acquiring
11 land and paying the predevelopment costs of affordable
12 multifamily housing, the permanent loan on which is financed by
13 the Agency; and

14 WHEREAS, the Agency, as part of its 1995-1999 Business Plan,
15 approved the allocation of \$2,500,000 annually for a Multifamily
16 Predevelopment Loan Program for nonprofit housing developers,

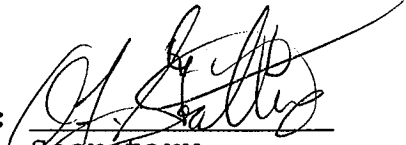
17 NOW, THEREFORE, BE IT RESOLVED by the Board of Directors
18 (the "Board") of the California Housing Finance Agency as
19 follows:

- 20 1. The Agency shall have authority, subject to the Board's
21 approval for the first year of this program and
22 thereafter subject to the Executive Director's
23 approval, to make multifamily predevelopment loans to
24 qualifying Nonprofit 501(c)(3) housing developers
25 subject to the following limitations:
26
27 a) The maximum loan amount shall be \$250,000;
b) The term of the predevelopment loan shall be
twenty-four (24) months, unless extended, in the
discretion of the Executive Director of the Agency;
c) Eligible projects shall consist of five (5) or more
units of existing housing, existing housing
requiring rehabilitation, or new construction;
d) The interest rate on the loans shall be the greater
of the 11th District Cost of Funds, plus two (2)
points, or the West Coast banks prime rate of
interest, provided, however, that the interest rate
shall be reduced to 3% retroactively, when and if a
CHFA Final Commitment for a permanent mortgage loan
is approved by the Agency.

- e) The loans shall be secured by tangible assets of the nonprofit housing developers, including but not limited to, the real and personal property of the eligible project; and
- f) A nonrefundable 1.5% Predevelopment Loan Fee shall be paid at the time of the predevelopment loan disbursement, provided, however, that 1% of that fee will be credited towards CHFA's permanent loan fee at the permanent loan closing.
- g) Any other terms and conditions that the Executive Director or Director of Programs shall, in their discretion, determine is necessary to protect the Agency's interests.

I hereby certify that this is a true and correct copy of Resolution 95-27 adopted at a duly constituted meeting of the Board of Directors of the California Housing Finance Agency held on September 14, 1995 at Millbrae, California.

ATTEST:


Secretary

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